

**Finance Portfolio Holder Report to Overview & Scrutiny Committee  
November 2013**

***In September/ October/ November, a report to indicate progress, or problems arising, with the matters highlighted in the spring reports and with work areas where changes were recently introduced.***

**1. Welfare Reforms**

***Local Council Tax Reduction scheme***

*Progress – on time, separate report to November Executive*

New scheme for 2014/15 onwards has been consulted upon, and due for confirmation by Members at December Council. Plans are in place for the rollout of the scheme. This will entail working with existing claimants to ensure that they are prepared for the changes by way of publicity and issuing dummy bills.

***Benefits Cap and Under Occupation***

*Progress - implemented*

These changes were introduced earlier on this year. The Benefits Section and Housing & Property Services worked with all claimants affected by the changes to ensure they were properly informed and to help them to prepare for the changes. Whilst there have undoubtedly been some problems, most claimants have managed the reductions.

***Discretionary Housing Payments (DHP)***

*Progress – updates implements*

The DHP scheme has been updated to reflect the welfare reforms. In addition, some additional funding was received from Central Government to assist with the impact of the Benefits Cap and Under Occupancy changes. There have been more DHP claims, but these should be able to be managed within the available funding.

***Universal Credit***

*Progress – Watching brief*

*Problems – Lack of detail available on which to plan*

Universal Credit commenced earlier in the year in selected pilot areas. To date there is no detail of how and when Universal Credit will be rolled out locally, and when housing benefits will be included. This is stopping detail work in planning for the introduction of Universal Credit, whilst at the same time presenting

uncertainty for claimants and staff. Benefits staff have received training on universal credit.

### ***Welfare Reforms Group***

A multi disciplinary Welfare Reforms Group has been set up to prepare for the changes. This group includes officers from Finance, Housing & Property, Development Services, along with respective portfolio holders. Following on from the "Home Swapper" event held earlier in the year, plans are being put in place for a staff resource (with Central Government funding) to pro-actively follow up cases and assist tenants with changing their home.

## **2. Business Rate Retention**

*Progress – Implemented, monitoring in place*

Since the commencement of Business Rate Retention in April 2013, Business Rate income due has been very tightly monitored, something not required under the previous regime. Whilst it was always anticipated that there would be growth in the amount due to two new large retail developments opening, this growth has been partly undermined by some successful appeals.

Appeals are now being analysed in more detail, with greater details being sought of outstanding appeals from the Valuation Office. In addition, investigation is being given to acquiring support to forecast changes in the debit, in conjunction with neighbouring district councils.

Other initiatives are being undertaken to ensure all properties are being correctly rated.

Despite the appeals, there has been growth in the total rateable value of £2.4m on a base of £163m, which should release increased debit without recourse for the overall assumptions in the Council's medium term financial strategy being amended.

## **3. Transactions Review**

*Progress – on-going work*

Finance is working with all service areas to seek to reduce the number of financial transactions (numbers of suppliers, orders, invoices, payments). Initiatives include:-

- Seeking to set up a "procurement card" to improve manage of small value spend, in place of current credit cards
- Setting up corporate contracts to seek to include all Council spend
- Working with suppliers to provide "amalgamated" orders.
- Help to officers in raising orders effectively, eg pro-actively raising annual orders.

- All creditor invoices to be processed by FSTeam. Work on-going with Housing & Property Services to migrate their invoices.
- Leasehold property invoicing to be all managed by Housing & Property Services (plan to be confirmed, likely to be 2015).

#### **4. Council Finances**

*Progress – on-going management and monitoring*

Finance continues to seek to proactively manage all aspects of the Council's finances. This includes:-

- Ensuring compliance with the Code of Financial Practice – E-training is currently being prepared for rollout later this year.
- Ensuring the authorities finances are used in accordance with the Council's strategic priorities.
- Managing the Council's financial strategy and 5 year projections, and regularly reporting to members (as part of quarterly Budget Review reports).
- Working with service areas to ensure finances are properly managed, in accordance with the Council's priorities and policies. Recently this has entailed seeking to ensure that the agreed budget savings are actively being sought and managed.
- Advising members and officers on the use of the Council's finances.
- Assist officers in complying with the Code of Procurement Practice, including ensuring appropriate contracts are in place for all supplies and services, and that contracts are being pro-actively managed.

#### **5. Finance Systems Intervention and Restructure**

*Progress – implemented*

*Issues arising – work on-going reviewing contract appointments and for workforce planning*

The resultant changes to staffing were implemented in the second half of 2012/13. Subsequent points of note:-

**Accountancy** - Changes working well with all staff in post. Implementing "On-Line Returns (current Service Plan project) will assist processing and help free up staff time. Further work on-going to review support given to other Service Areas, and to review the success of the changes to Budget Review process that were implemented last year.

**Audit & Risk** – Insurances now part of this team. This is improving the effectiveness of risk management work, including providing extra support to this work.

**Exchequer** – Section now brings together Council Tax, Business Rates, Recovery and FSTeam (creditor/debtor invoice processing, and system support). The new, enlarged FSTeam is providing more resilience and support to all Service Areas. As part of this, it is working to streamline transaction processing across the Council, and specifically is working with Housing & Property Services, as the last service still processing creditor invoices, for all invoices to be processed within FSTeam.

**Payroll** – This is now within Corporate & Community Services alongside HR. Whilst no longer the responsibility of Finance, Finance have continued to provide help and advice relating to Payroll, as part of the transition, and to assist in view of vacant posts within HR.